

Message Text

UNCLASSIFIED

PAGE 01 ROME 06782 281651Z

41

ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07

L-03 NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15 USIA-15

TRSE-00 EB-07 OMB-01 STR-04 FRB-01 SAJ-01 /096 W

----- 039311

R 271420Z APR 76

FM AMEMBASSY ROME

TO SECSTATE WASHDC 7207

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

USDEL MTN GENEVA

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

USMISSION OECD PARIS

AMEMBASSY VIENNA

AMCONSUL FLORENCE

AMCONSUL GENOA

AMCONSUL MILAN

AMCONSUL NAPLES

AMCONSUL TURIN

AMCONSUL TRIESTE

AMCONSUL PALERMO

AMEMBASSY BERN

UNCLAS ROME 6782

E.O. 11652: N/A

TAGS: EFIN, IT

SUBJECT: EUROPEAN CENTRAL BANKERS ACT TO RESTRICT ITALIAN
CAPITAL FLIGHT

REF: BERN 1693

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ROME 06782 281651Z

1. ITALIAN PRESS REPORTS APRIL 27 THAT AT EC CENTRAL BANKERS APRIL 26 MEETING IN LUXEMBOURG DECISION WAS TAKEN, INCLUDING SIMILAR SEPARATE ACTION BY CENTRAL BANK OF AUSTRIA, TO ISSUE GENERAL INSTRUCTION IN RESPECTIVE BANKING SYSTEMS FOR MEMBERS NOT TO EXCHANGE LARGE-DENOMINATED ITALIAN BANKNOTES, SPECIFICALLY 50,000 AND 100,000 LIRA VALUES. THIS ACTION FOLLOWS BROADER AND MORE BINDING SWISS MEASURE FORBIDDING THE IMPORTATION INTO SWITZERLAND OF ALL FOREIGN BANKNOTES IN EXCESS OF THE FOREIGN CURRENCY EQUIVALENT OF 20,000 SWISS FRANCS PER PERSON PER QUARTER. (SEE REFTEL FOR DETAIL OF SWISS ACTION.)

2. DIRECTOR-GENERAL OF THE BANK OF ITALY, OSSOLA, IN COMMENTING ON CENTRAL BANKERS DECISION, WAS REPORTED IN PRESS TO HAVE PRAISED DECISION, STRESSED DESIRABLE SHORT-TERM POSITIVE PSYCHOLOGICAL EFFECT OF ACTION ON LIRA, AND GUESSED THAT DESPITE INABILITY TO QUANTIFY REAL IMPACT MOVE WILL HAVE SOME IMPACT IN REDUCING ITALIAN CAPITAL FLIGHT. OSSOLA ADDED THAT ACTION WAS ALL THAT ITALY COULD HAVE ASKED NOR FROM THE EC. VOLPE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCIAL STABILITY, PRESS COMMENTS, POLICIES, IMPORT CONTROLS, BANK NOTES, FOREIGN EXCHANGE RATES, BANKS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 27 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ROME06782
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760161-0663
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760415/aaaaamtj.tel
Line Count: 81
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 BERN 1693
Review Action: RELEASED, APPROVED
Review Authority: buchant0
Review Comment: n/a
Review Content Flags:
Review Date: 01 SEP 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 SEP 2004 by cookms>; APPROVED <09 DEC 2004 by buchant0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EUROPEAN CENTRAL BANKERS ACT TO RESTRICT ITALIAN CAPITAL FLIGHT
TAGS: EFIN, IT, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006